stringent, providing for severe penalities against errant dealers and negligent officials.

Regulation of Prices of Petro-Products by Refineries

994. SHRI SITARAM KESRI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that oil refineries have been given free hand to regulate prices of their petro-products;

(b) whether this would not result in competition by different refineries with regard to their products; and

(c) how far this would be beneficial to the consumers at large?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) Effective 1.4.98, the prices of the controlled products namely MS, HSD, SKO (PDS), LPG (Domestic) NGL and ATF are beign fixed by the Government. The pricing of all other petroleum products like Naphatha, FO, LSHS, Bitumen, Paraffin Wax etc. sold by the oil companies has been decontrolled.

(b) and (c) One of the objectives of the phased deregulation that has been undertaken is to ensure that consumers benefit as a result of the competition.

Availability of Natural Gas in Andaman Islands

995. PROF. RAM KAPSE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the survey conducted in Andaman Islands has revealed that a stock of 1700,000 million cubic ft. natural gas is available in these islands; and

(b) if so, the steps taken by Government towards utilisation of this natural gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) Seismic surveys conducted in deep waters by Directorate General of Hydrocarbons (DGH) in the Andaman Sea area has indicated presence of gas hydrates and natural gas below it, in certain parts, based on special processing of data. This has to be confirmed by drilling of wells only after that quantity of gas can be estimated.

(b) Does not arise in view of (a) above at this stage.

Performance of Oil Refineries

996. SHRI GOVINDRAO ADIK: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have assessed the performance of public/private sector oil refineries for 1997-98 in terms of the targets set by standard parameters;

(b) if so, the details thereof, refinery-wise and how does it compare with the corresponding earlier two years period;

(c) the reasons for failure to achieve the targets/low capacity utilisation etc;

(d) the details of progress achieved on private/public sector ongoing projects and extent of time and cost overruns witnessed during implementation, projects-wise alongwith reasons therefor; and

(e) the details of projects cleared during 1997-98 and major investment proposals awaiting clearance?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) The details of capacity utilisation, a standard important parameter of Public Sector/ Joint Venture Refineries during 1997-98, as compared to earlier two years *i.e.* 1996-97 and 1995-96 may be seen at *Annexure-I.* [*See* Appendix 184 Annexure No. 29]

(c) During 1997-98 the capacity utilisation of IOC's Barauni, Guwahati, BRPL & Digboi Refineries was low because of lower indigenous crude availability from North Eastern Region. the capacity utilisation of HPCL Vizakh was also low because of major fire incidents in this refinery.

(d) The details of progress achieved by Public Sector on going project etc. are as per *Annexure-II*. [*See* Appendix 184 Annexure No. 30]

(e) The details of projects approved by Government during 1997-98, may be seen in Statement. (*See below*).

The following major project proposals of oil companies are at different stages of processing/approvals:—

(1) IOC proposal for setting up 9 MMTPA JV Refinery in Orissa at an estimated cost of Rs. 8074 crores including Rs. 2396 crores as F.E. component.

(2) Proposal of CRL for setting up of a Power Plant at Ambalmugal at an estimated cost of Rs. 2460 crores including F.E. component of Rs. 984 crores.

(3) Proposal for HPCL for setting up JV Refinery at Panjab alongwith Power Plant at an estimated cost of Rs. 9644 crores including F.E. component of Rs. 3371.20 crores.

Statement

Major Refinery Projects approved by Govt. during 1997-98

(Rs. in crores)

Sl. No.	Refinery	Total
1.	DHDS project, Koyali Refinery	637
2.	DHDS project, Haldia Refinery	705.92
3.	DHDS project, Mathura Refinery	368.96
4.	DHDS project, Panipat Refinery	363.13
5.	DHDS project, BPCL, Mumbai	700.18
6.	DHDS project, Visakh, HPCL	956.82
7.	DHDS project, Mumbai, HPCL	913.78
8.	DHDS project, CRL	973.37
9.	DHDS project, MRL	915.22

Indo-Oman Gas Pipeline Project

997. SHRI GOVINDRAO ADIK: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the present status of Indo-Oman gas pipeline project passing through Pakistan;

(b) what are the redeeming features of the project;

(c) whether the project has witnessed cost escalation due to delay in finalisation; and

(d) the details regarding revised cost and proposed schedule of implementation of the joint venture and economic implications of the project?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) The technical feasibility studies of the Indo-Oman sub-sea pipeline project have not been completed. Adequate gas reserves in Oman are also to be established by the Oman Oil company.

(b) Implementation of this project would lead to the supply of 56 million cubic meters of gas per day to India.

(c) and (d) Does not arise as the technical feasibility studies have not been completed.